

GIL GUTKNECHT
1ST DISTRICT, MINNESOTA



Congress of the United States
House of Representatives
Washington, DC 20515-2301

September 16, 1999

Mr. Louis V. Gerstner, Jr.
Chairman and Chief Executive Officer
International Business Machines Corporation
New Orchard Road
Armonk, New York 10504

Dear Mr. Gerstner:

I write again to request a review of your decision to convert your pension plan. Since I last wrote to you, I continue to hear from constituents - IBM employees and others - who believe the IBM decision is wrong. Believe me, I have made many decisions that at the time made perfect sense, but, as time went on, new information came to light that caused me to change my position.

Since I received your response through your Vice President, Christopher G. Caine, I have spoken about this issue with many of my colleagues in the House and Senate. A sentiment is building around three issues:

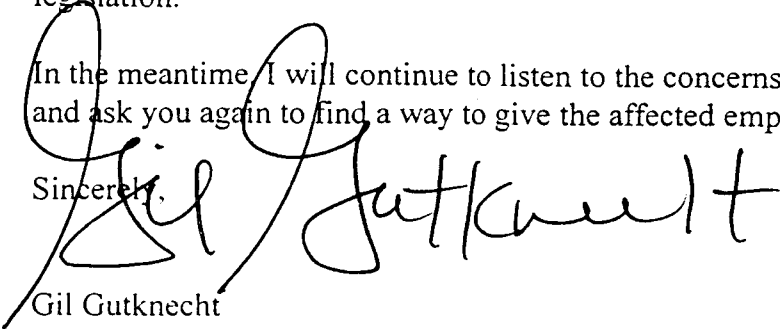
- Age discrimination,
- Congressional intent of the tax code as it relates to an employer initiated pension plan conversions, and
- Fairness to individual employees, not just employees collectively.

Congressional and Administrative Hearings are being held. Momentum is building to look at changes needed to strengthen and protect employee pensions.

I believe that now may be a time for IBM to rebuild the loyalty of its employees and demonstrate its traditional industry leadership in employer-employee relations by extending the retirement plan choice to all employees. Such an option could provide an example for any new pension legislation.

In the meantime, I will continue to listen to the concerns of the many IBM employees I represent, and ask you again to find a way to give the affected employees a choice.

Sincerely,


Gil Gutknecht
Member of Congress

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